

# **CITY OF WATERVILLE**

## **PURCHASING ORDINANCE**

### **ARTICLE I – GENERAL**

As provided for in the City Charter Article VII, Section 5, the purpose of this ordinance is to provide procedures for the purchase or lease of equipment, supplies or services for the City of Waterville. The current policy of the City is to maintain a decentralized purchasing process which shall be monitored by the City Manager and Finance Director.

### **ARTICLE II – PURCHASES OR LEASES OF \$10,000 OR LESS**

Department Directors are authorized to approve purchases of equipment, supplies or services of \$10,000 or less in value, providing such purchases have been approved by the City Manager and are part of the department's annual budget appropriation. In addition, Department Directors are responsible for the following:

- a. To make every effort to secure the best possible price for all purchases or leases of \$10,000 or less. This may involve an informal bidding process when, in the opinion of the City Manager or the Department Director, there are multiple vendors for that particular product or service.
- b. To plan future purchases to provide ample time to secure favorable prices.
- c. To assure that a sufficient unencumbered balance remains in the Department's appropriation before a purchase is made.
- d. To advise and obtain approval from the City Manager for any purchase necessary for the continued operation of the Department which purchase may not have been approved in the annual appropriation or which purchase may exceed the department's total available funds.
- e. All leases and capital expenditures of \$5,000 or over require a purchase order signed by the Department Director, or his designee and the City Manager or Finance Director in his absence, prior to submittal to the Finance Office for payment.

The City Manager shall insure that the requirements of this ordinance are not circumvented by multiple or separate purchases of \$10,000 or less to avoid the bid requirements as outlined below.

### **ARTICLE III – PURCHASES OR LEASES IN EXCESS OF \$10,000**

All purchases or leases in excess of \$10,000 shall require a competitive bid process which is subject to review and approval by the City Council. This requirement shall not apply to the services of expert witnesses to be employed by the City in present or anticipated legal action.

The following procedures shall be followed for all purchases in excess of \$10,000.

- a. In addition to notification to all known and interested vendors, the City shall publish a notice in a local newspaper or one with statewide circulation no later than five (5) days before the bid deadline.
- b. The City Manager and/or the Department Director shall make every effort to insure that at least three (3) responsible bidders have been contacted for each purchase.
- c. All bids received shall be sealed and opened in public at the hour stated in the notice.
- d. All original bids, together with all documents pertaining to the award of the contract, shall be retained and made a part of the permanent file or record and shall be open to public inspection upon request.
- e. All purchases and leases in excess of \$10,000, require a purchase order and a copy of the signed resolution or order approved by Council prior to submittal to the Finance Office for payment.

### **ARTICLE IV – BID REVIEW, APPROVAL OR REJECTION**

Contracts for the purchase or lease of equipment, supplies or services in excess of \$10,000 shall be awarded only after authorization by the City Council. Written specifications for the purchase of such goods or services shall not be prepared so as to exclude all but one vendor.

In addition to price, the Council may consider the following in determining the lowest responsible bidder:

- a. The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- b. Whether the builder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;
- c. The character, integrity, reputation, judgment, experience and efficiency of the bidder;
- d. The quality of performance of previous contracts or services as may be in part determined by contract with previous contractees;
- e. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
- f. The financial capability of the bidder to perform the contract or provide the service;
- g. The quality, availability and adaptability of the supplies or contractual services to the particular use required;
- h. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
- i. The number and scope of conditions attached to the bid; and
- j. The energy efficiency of the product.

For all purchases, the City reserves the right to accept and/or reject any and all bids or portions thereof.

## **ARTICLE V – WAIVER OF BID PROCESS**

Notwithstanding the foregoing requirements of Article IV, the bid process may be waived under one or more of the following conditions:

- a. Price has been determined by a current and still valid bid process conducted by a recognized operating division of the state or county governments or the City Board of Education or a joint group composed of municipalities or quasi-municipal entities.
- b. When the Council is provided with factual data submitted by the administration that the price under consideration is the best available price and that due to circumstances beyond the control of the administration, there is an insufficient time to resort to the normal bid process.
- c. When it is provided with factual data submitted by the administration that the matter under consideration is unique or non-competitive.

To waive the bid process, the City Council must determine by a two thirds majority of the Council members present that a, b, or c above exists.

## **ARTICLE VI – QUALITY BASED SELECTION**

Notwithstanding the requirements of Article IV and Article V, projects that require a consultant or design professional to prepare plans and specifications for bidding, or as otherwise required by agreements made with State or Federal agencies providing funding, the selection of design professionals or consultants may be made utilizing Quality Based Selection (QBS). The following method shall be utilized for such selections.

- a. Requests for Proposals (RFP) shall be prepared that define the overall goals of the service to be provided. In addition to notifying known interested providers, proposals shall be solicited by advertising in a local newspaper or one with statewide circulation well in advance of the deadline for submission, but in no case less than 5 days before the deadline.
- b. The City Manager, or Department Head, shall establish a Review Team, consisting of persons with specialized knowledge or understanding of the proposed project. An essential element to be included in the RFP is a presentation of the scoring system that the Review Team will utilize to select the successful consultant.
- c. The responders to the RFP must submit two separate sealed envelopes to the City. One sealed envelope shall be clearly marked QUALIFICATIONS. The information contained in this envelope shall not contain any discussion of price or cost. The information contained in this envelope shall present the qualifications of the firm, qualifications of individuals within the firm, references, understanding of the project, permitting issues, unusual design issues, and similar material that will allow the Review Team to rate the proposal, in accordance to the previously defined scoring criteria. The second sealed envelope shall be clearly marked COST ESTIMATE and shall contain a detailed breakdown of the Scope of Services including estimated costs for services.
- d. Upon receipt of the proposals, the Review Team will open the QUALIFICATIONS documentation of each responder, but shall not open any COST ESTIMATE envelope. The Review Team shall score the QUALIFICATIONS presentation of each responder and the Review Team shall rank the proposals from most qualified to least qualified. At this point, the Review Team may schedule interviews with the most qualified firms to further refine the ranking. Only after the ranking of most qualified to least qualified is complete will the Review Team open the sealed COST ESTIMATE envelopes of the most qualified responders. The Review Team shall have the latitude to determine the number of COST ESTIMATE proposals opened. No COST ESTIMATE envelope shall be opened from any responder not meeting minimum qualifications.

- e. If the cost of the anticipated contract with the successful respondent exceeds \$10,000, the City Manager shall present a report of the Review Team and a Contract for Services to the City Council for review and approval. If the cost of the anticipated contract with the successful responder is less than \$10,000, then the City Manager shall execute a Contract for Services with the successful responder.
- f. A file shall be maintained that contains all QUALIFICATIONS envelopes from all RFP responders, the Review Team Report, and the Contract for Services. The file shall be available for public inspection upon request.

If State or Federal regulations or agreements require deviation from the above QBS methodology, then the State or Federal methods shall be used to secure professional services.